

Every once in a while your Editor has the privilege to be invited to look around an absolute gem of a box plant; Cumberland



**Cumberland Packaging Ltd**  
MANUFACTURERS OF CORRUGATED PACKAGING

Packaging is in this small and distinguished category:

- The business is run by the deceptively shrewd soul that is John Watson, who manages to maintain an impressive balance between being a tough taskmaster and an encouraging, smiling boss. His extreme organisational skills and deep need to know the detail of everything permeate through the business – they really are committed to getting things right first time. He's a bit like Monica from Friends...only taller, male and with an Essex accent.
- The Cumberland Team are talented, earnest and committed...and the kit is broad ranging, largely new and well deployed by one of the most welcoming and customer-oriented Operations teams you could hope to meet. The benefit of an Operations Director (the eminently warm and reassuringly competent Chris Monaghan) who used to be a salesman.
- Being more than double the size of a typical competitor, they of course enjoy economies of scale in purchasing...which in turn makes them more competitive.
- Importantly, they like new ideas and have an excellent pedigree in implementing them.
- With annual sales of £8m they're bigger than almost all of their regional competitors. In the round they're in the top five of UK sheet plants... and have all the elements in place to realise John's ambition to grow the business to £15 million.



### Strengths:

- One of the UK's biggest sheet plants
- Independent and consistently profitable
- A well invested factory that is very competitive
- A very good Design department
- A broad manufacturing capability and hence product range
- Use industry-leading Abaca software
- Excellent fabric and infrastructure
- An impressive range of accreditations: BRC/IOP; 5 Star; ISO 9000; Investors in People and RoHS.
- Very flexible capacity – they can turn around a job in 1-3 days
- Have capacity for short to medium runs on the case maker (their best selling product)
- Stock and serve runs well
- They have a reputation for being aggressive and have plenty of capacity up their sleeve
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- A dedicated transport fleet

### Weaknesses:

- The website looks a little tired and does not do them justice
- Short staffed in the sales team (a short term issue whilst they recruit)
- They would like to have more routes to market – currently only sell via their direct sales force

### Opportunities:

- Recruit to fill the vacancy in the sales team
- Set up an online shop for corrugated (they're on the case – via Abaca's new functionality)
- Fill their significant latent capacity
- Set up more clients on contracts – with PPI agreements to accommodate fluctuating board costs

### Threats:

- Fluctuating paper and board costs
- Competitors – notably Connect Packaging (who have two ex-Reps there) and packaging distributors
- The economy may worsen, with potential headwinds from the Eurozone and inflation hurting UK consumers' net income
- A major client may go bust over the insured limit